



Senate

General Assembly

File No. 447

January Session, 2013

Substitute Senate Bill No. 1081

Senate, April 11, 2013

The Committee on Environment reported through SEN. MEYER of the 12th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING RECYCLING AND JOBS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 22a-207a of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective October 1, 2013*):

3 (a) As used in sections 22a-208d, 22a-208q and subsection (b) of
4 section 22a-228: (1) "Composting" means a process of accelerated
5 biological decomposition of organic material under controlled
6 conditions; (2) "mixed municipal solid waste" means municipal solid
7 waste that consists of mixtures of solid wastes which have not been
8 separated at the source of generation or processed into discrete,
9 homogeneous waste streams such as glass, paper, plastic, aluminum or
10 tire waste streams provided such wastes shall not include any material
11 required to be recycled pursuant to section 22a-241b; [.] and (3) "mixed
12 municipal solid waste composting facility" means a volume reduction
13 plant where mixed municipal solid waste is processed using
14 composting technology.

15 (b) As used in this chapter, "end user" means any person who uses a
16 material for such material's original use or any manufacturer who uses
17 a material as feedstock to make a product.

18 Sec. 2. Section 22a-208f of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective October 1, 2013*):

20 Notwithstanding the provisions of section 22a-208a, a scrap metal
21 processor, as described in section 14-67w, shall not be required to
22 obtain a permit under [said] section 22a-208a if on or before [July 1,
23 1990] July 31, 2014, and annually [on March thirty-first thereafter, he]
24 thereafter, such scrap metal processor submits to the Commissioner of
25 Energy and Environmental Protection, on a form prescribed by the
26 commissioner, the amount of scrap metals generated within the
27 borders of the state and purchased or received [from any municipality,
28 municipal or regional authority, the state or any political subdivision
29 of the state listed by town of origin. He shall also send to each
30 Connecticut municipality included in such listing a copy of such
31 information pertaining to the municipality] by such processor for the
32 prior state fiscal year. Such report shall identify the regional solid
33 waste facility from which such scrap metal was received or the
34 Connecticut municipality in which such scrap metal was generated
35 and the type of waste stream that generated such scrap metal. Such
36 report shall also identify the destination facility that received the scrap
37 metal or other recyclable materials from such scrap metal processor.

38 Sec. 3. Section 22a-220 of the general statutes is amended by adding
39 subsection (k) as follows (*Effective October 1, 2013*):

40 (NEW) (k) There is established the "Municipal and Regional
41 Recycling Incentive Program". The purpose of the Municipal and
42 Regional Recycling Incentive Program shall be to provide technical
43 assistance and other incentives to municipalities and regions to
44 advance the state-wide solid waste management plan adopted
45 pursuant to section 22a-228. Such technical assistance shall promote
46 the implementation of sustainable materials management practices
47 that reduce solid waste and increase recovery of designated recyclable

48 items and other recyclable materials. Any municipality or region shall
49 be eligible to participate in such incentive program, provided such
50 municipality or region: (1) Implemented a solid waste disposal pricing
51 system prior to July 1, 2013 which, as determined by the Commissioner
52 of Energy and Environmental Protection, is an effective unit-based
53 pricing system; and (2) committed, not later than October 1, 2013, to
54 participate in such incentive program by agreeing to modernize the
55 solid waste disposal pricing system used within such municipality or
56 region to a unit-based pricing system, in accordance with an
57 implementation plan approved by the commissioner.

58 Sec. 4. Subsections (d) to (g), inclusive, of section 22a-220a of the
59 general statutes are repealed and the following is substituted in lieu
60 thereof (*Effective October 1, 2013*):

61 (d) (1) Any collector hauling solid waste generated by residential,
62 business, commercial or other establishments, including, but not
63 limited to, recyclables generated within the borders of a municipality,
64 shall register annually in such municipality and disclose: (A) The name
65 and address of the collector and the owner of such collection company;
66 (B) the name of any other municipality in which such collector hauls
67 such solid waste, including recyclables; (C) whether the hauling done
68 by such collector is residential, commercial or other; (D) the types of
69 waste hauled; (E) the anticipated location of any disposal facilities or
70 end users receiving recyclable solid waste; and (F) any additional
71 information that such municipality requires to ensure the health and
72 safety of its residents.

73 (2) On or before [July 31, 2011] July 1, 2013, any such collector shall
74 report to the municipality (A) the types of solid waste, including
75 recyclables, as listed in subsection (c) of section 22a-208e generated
76 within the borders of a municipality and collected by such collector,
77 (B) the name, location and contact information for the first destination
78 where such solid waste, including recyclables, was delivered by the
79 collector during the previous fiscal year, and (C) the types and actual
80 or estimated amounts of such solid waste, including recyclables,

81 directly delivered to an out-of-state destination or to an end user or
82 manufacturer in the state. Such reports shall be submitted to the
83 municipality annually, on or before July thirty-first, and shall provide
84 the information specified in this subdivision for the prior state fiscal
85 year. Such reports shall be on a form prescribed by the Commissioner
86 of Energy and Environmental Protection and shall include any other
87 additional information the commissioner deems necessary. Any
88 collector who submits annual reports to the commissioner pursuant to
89 subsection (j) of this section and performs the requisite identification
90 required pursuant to subsection (k) of this section shall be deemed to
91 be in compliance with the provisions of this subdivision.

92 (e) The door of any private vehicle used to haul solid waste shall be
93 clearly marked with the business name and address of the hauler.

94 (f) Any collector who dumps more than one cubic foot in volume of
95 solid waste at one time in an area not designated for such disposal by a
96 municipality pursuant to the provisions of this section or who
97 [knowingly] mixes other solid waste with items designated for
98 recycling pursuant to section 22a-241b, or pursuant to municipal
99 ordinance shall for a first violation be liable for a civil penalty of not
100 more than two thousand five hundred dollars for each violation and
101 not more than ten thousand dollars for a subsequent violation. Any
102 municipality or the Attorney General, at the request of the
103 commissioner, may bring an action under this section. All such actions
104 shall have precedence in the order of trial as provided in section 52-
105 191. Any such action by the Attorney General shall be brought in the
106 superior court for the judicial district of Hartford.

107 (g) As used in this section, "collector" means any person who holds
108 himself out for hire to collect solid waste on a regular basis from
109 residential, business, commercial or other establishments. "Collector"
110 does not include: (1) Any person who transports solid waste that is
111 incidentally generated during professional or commercial activities
112 unrelated to the collection of solid waste, such as residential property
113 repairs, provided such solid waste is self-generated by such person's

114 professional or commercial activities and such solid waste is
115 transported to an authorized recycling facility, a permitted recycling
116 facility, or a permitted solid waste facility, and (2) any person who
117 transports used materials for the purpose of delivering such materials
118 to a charitable organization that distributes reused household items or
119 to a retail facility that sells reused household items.

120 Sec. 5. Subsection (a) of section 22a-226e of the general statutes is
121 repealed and the following is substituted in lieu thereof (*Effective*
122 *October 1, 2013*):

123 (a) [Not later than six months after the establishment of service in
124 the state by two or more permitted source-separated organic material
125 composting facilities, as defined in section 22a-207, that have a
126 combined capacity to service the needs of commercial food
127 wholesalers or distributors, industrial food manufacturers or
128 processors, supermarkets, resorts or conference centers that each
129 generate an average projected volume of not less than one hundred
130 four tons per year of source-separated organic materials] (1) On and
131 after January 1, 2014, each commercial food wholesaler or distributor,
132 industrial food manufacturer or processor, supermarket, resort or
133 conference center that is located not more than twenty miles from an
134 authorized source-separated organic material composting facility and
135 that generates an average projected volume of not less than one
136 hundred four tons per year of source-separated organic materials shall:
137 [(1)] (A) Separate such source-separated organic materials from other
138 solid waste; and [(2)] (B) ensure that such source-separated organic
139 materials are recycled at [a permitted source-separated organic
140 material composting facility that is not more than twenty miles from
141 such wholesaler, distributor, manufacturer, processor, supermarket,
142 resort or conference center, as applicable] any authorized source-
143 separated organic material composting facility that has available
144 capacity and that will accept such source-separated organic material.

145 (2) On and after January 1, 2020, each commercial food wholesaler
146 or distributor, industrial food manufacturer or processor, supermarket,

147 resort or conference center that is located not more than twenty miles
148 from an authorized source-separated organic material composting
149 facility shall: (A) Separate such source-separated organic materials
150 from other solid waste; and (B) ensure that such source-separated
151 organic materials are recycled at any authorized source-separated
152 organic material composting facility that has available capacity and
153 that will accept such source-separated organic material.

154 Sec. 6. Section 22a-241 of the general statutes is amended by adding
155 subsection (d) as follows (*Effective October 1, 2013*):

156 (NEW) (d) The Commissioner of Energy and Environmental
157 Protection, in consultation with the Office of Policy and Management
158 and leaders of regional waste management authorities, shall identify
159 opportunities for new incentives to provide for regional collaboration
160 among municipalities to achieve cost savings and standardization in
161 recycling and solid waste management. There is established a state
162 goal to have regional waste management authorities provide a
163 regional option for solid waste management services to eighty per cent
164 of municipalities in the state not later than January 1, 2015, and to
165 provide such regional option to all municipalities in the state not later
166 than January 1, 2017. Any municipality that participates in a regional
167 waste management authority that provides solid waste management
168 services shall be prioritized for inclusion in the Municipal and
169 Regional Recycling Incentive Program established in subsection (k) of
170 section 22a-220, as amended by this act.

171 Sec. 7. (NEW) (*Effective October 1, 2013*) The Commissioner of
172 Energy and Environmental Protection, in consultation with other state
173 agencies or quasi-public agencies, shall identify opportunities for the
174 establishment of a new, or the expansion of any existing, recycling
175 infrastructure investment program.

176 Sec. 8. (NEW) (*Effective October 1, 2013, and applicable to assessment*
177 *years commencing on or after said date*) (a) For the purposes of this
178 section:

179 (1) "Municipality" has the same meaning as provided in section 12-
180 129r of the general statutes.

181 (2) "Recycling" has the same meaning as provided in section 22a-207
182 of the general statutes.

183 (b) Any municipality may, by ordinance adopted by its legislative
184 body, provide an exemption from property tax for any machinery or
185 equipment used in connection with recycling that is installed on or
186 after October 1, 2013. Any such exemption shall apply only to: (1) The
187 increased value of the commercial or industrial property that is
188 attributable to such machinery or equipment, and (2) the first fifteen
189 assessment years following installation of such machinery or
190 equipment.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	22a-207a
Sec. 2	<i>October 1, 2013</i>	22a-208f
Sec. 3	<i>October 1, 2013</i>	22a-220
Sec. 4	<i>October 1, 2013</i>	22a-220a(d) to (g)
Sec. 5	<i>October 1, 2013</i>	22a-226e(a)
Sec. 6	<i>October 1, 2013</i>	22a-241
Sec. 7	<i>October 1, 2013</i>	New section
Sec. 8	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	New section

ENV Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Department of Energy and Environmental Protection	GF - Revenue Gain	Potential	Potential

Municipal Impact:

Municipalities	Effect	FY 14 \$	FY 15 \$
Various Municipalities	Grand List Reduction	Potential	Potential

Explanation

The bill makes changes to the state's solid waste management laws pertaining to recycling.

Current law prohibits solid waste collectors from knowingly mixing designated recyclables with other waste. Violators are subject to a civil penalty of up to \$2,500 for the first offense and up to \$10,000 for a subsequent offense. The bill expands who is subject to civil penalties to those waste collectors who unknowingly mix these items. To the extent additional violations occur, there may be a revenue gain to the state based on the actual number of violations.

Additionally, the bill also allows municipalities to exempt from property taxes the value of certain recycling machinery or equipment installed on or after October 1, 2013. To the extent municipalities choose to do this, there would be a reduction to their grand list. This would result in a loss of tax levy, given a constant mill rate.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations.

OLR Bill Analysis**sSB 1081*****AN ACT CONCERNING RECYCLING AND JOBS.*****SUMMARY:**

This bill makes several changes to the state's solid waste management laws that relate to recycling. Among other things, it:

1. creates a program providing technical assistance and other incentives to municipalities and regions with a solid waste disposal unit-based pricing system (§ 3);
2. sets goals for regional waste management authorities to provide municipalities with a regional option for solid waste management (§ 6);
3. extends the date for solid waste collectors to begin providing certain reports to the municipalities in which they do business and creates an exemption from providing them (§ 4);
4. prohibits solid waste collectors from mixing designated recyclables with other solid waste, regardless of whether they do so knowingly (§ 4);
5. establishes dates by which certain generators of organic materials must separate organic materials from other solid waste and recycle them at authorized composting facilities (§ 5);
6. increases the information scrap metal processors must provide to the Department of Energy and Environmental Protection (DEEP) commissioner to be exempt from needing a solid waste facility permit (§ 2); and

7. requires the DEEP commissioner to consult with state or quasi-public agencies and identify opportunities to establish a recycling infrastructure investment program or expand an existing one (§ 7).

The bill allows municipalities to adopt ordinances providing a property tax exemption for certain recycling machinery or equipment (§ 8).

It also makes several technical changes.

EFFECTIVE DATE: October 1, 2013, and the property tax provision is applicable to assessment years starting on or after that date.

§ 3 — RECYCLING INCENTIVE PROGRAM

The bill establishes a “Municipal and Regional Recycling Incentive Program” to provide municipalities and regions with technical assistance and incentives to further the state’s solid waste management plan. The assistance must promote implementing sustainable materials management practices that (1) reduce solid waste and (2) increase recovery of designated recyclable items and other recyclable materials (see BACKGROUND).

Municipalities and regions are eligible to participate in the program if they (1) implement a solid waste disposal pricing system before July 1, 2013 that the DEEP commissioner determines is an effective unit-based pricing system and (2) commit, by October 1, 2013, to participate in the program by agreeing to modernize its pricing system to a unit-based pricing system according to an implementation plan the commissioner approves. It is unclear why a municipality or region with an approved unit-based pricing system would also have to agree to modernize its system to the same type of pricing system.

§ 6 — REGIONAL COLLABORATION

The bill requires the DEEP commissioner to identify opportunities for new incentives for regional collaboration among municipalities to save costs and standardize recycling and solid waste management. He

must do this in consultation with the Office of Policy and Management and regional waste management authority leaders.

The bill establishes a state goal for regional waste management authorities to provide a regional option for solid waste management services. The goal is to provide the regional option to 80% of municipalities by January 1, 2015, and all municipalities by January 1, 2017.

Under the bill, municipalities participating in regional waste management authorities that provide solid waste management services are given priority for inclusion in the Municipal and Regional Recycling Incentive Program the bill creates.

§§ 1 & 4 — SOLID WASTE COLLECTORS

Definition

By law, a “collector” is anyone who holds himself out for hire to regularly collect solid waste from residential, business, commercial, or other establishments. The bill specifies that a “collector” does not include a person who transports:

1. solid waste incidentally generated during professional or commercial activities unrelated to solid waste collection (e.g., home repairs) if it is (a) self-generated by the person’s activities and (b) transported to an authorized recycling facility, permitted recycling facility, or permitted solid waste facility or
2. used materials to a (a) charitable organization that distributes reused household items or (b) retail facility that sells reused household items.

Mixing Solid Waste

Current law prohibits solid waste collectors from knowingly mixing designated recyclables with other solid waste. The bill instead subjects all collectors who mix such items to the penalties the law prescribes, regardless of whether they mix the items knowingly. Violators are subject to a civil penalty of up to \$2,500 for a first offense and up to

\$10,000 for subsequent offenses.

Annual Reporting

The bill extends, from July 31, 2011 to July 1, 2013, the date by which solid waste collectors must begin annually reporting certain information to the municipalities in which they do business. The information must include the:

1. types of solid waste generated and collected in the municipality;
2. name, location, and contact information for the destination where the collector delivered the solid waste during the prior fiscal year; and
3. types and actual or estimated amounts of the solid waste directly delivered to an out-of-state destination or an “end user” (see below) or manufacturer in Connecticut.

As under existing law, these reports must (1) be submitted to the municipalities annually by July 31 on a form the DEEP commissioner prescribes and (2) include any additional information the commissioner requires.

Under the bill, collectors are deemed compliant with the above reporting requirement if they:

1. identify upon delivery the solid waste’s origin when delivering municipal solid waste to permitted or authorized solid waste facilities and
2. if hauling solid waste to and from unpermitted or unauthorized solid waste facilities, annually report to the commissioner the (a) types of solid waste collected; (b) municipality where municipal solid waste originated; (c) amount by weight, volume, or other method the commissioner accepts of solid waste delivered to the destination; and (d) name, address, and contact information of the entity receiving the solid waste.

End User Definition

The bill specifies that an “end user” under the solid waste management laws is a (1) person who uses a material for its original use or (2) manufacturer who uses a material as feedstock to make a product.

§ 5 — ORGANIC MATERIALS

Under current law, commercial food wholesalers or distributors, industrial food manufacturers or processors, supermarkets, resorts, and conference centers that generate an average of at least 104 tons of source-separated organic materials a year must (1) separate the organic materials from other solid waste and (2) recycle the organic materials at a permitted source-separated organic material composting facility located within 20 miles of the generation site. They must do this within six months after at least two such facilities with a combined capacity to accept the generators' materials are open for business in Connecticut (see BACKGROUND).

Under the bill, beginning January 1, 2014, these large generators of organic material (i.e., generating at least 104 tons a year) located within 20 miles of an authorized, instead of permitted, source-separated organic material composting facility must recycle the organic materials at any such facility with available capacity that will accept them.

Beginning January 1, 2020, the bill expands the requirement to all commercial food wholesalers or distributors, industrial food manufacturers or processors, supermarkets, resorts, and conference centers located within 20 miles of an authorized source-separated organic material composting facility, instead of just large generators. Thus, regardless of the amount of organic waste generated, these entities must (1) separate the organic materials from other solid waste and (2) recycle the organic materials at an authorized source-separated organic material composting facility that has available capacity and will accept it.

Existing law, unchanged by the bill, allows these generators to

compost the source-separated organic material or treat it with organic treatment equipment on-site.

§ 2 — SCRAP METAL PROCESSORS

The law exempts scrap metal processors from obtaining a solid waste facility permit if they annually report to the DEEP commissioner, on March 31, the amount of scrap metal purchased or received from (1) a municipality, (2) a municipal or regional authority, (3) the state, or (4) a political subdivision of the state. Current law also requires that each municipality included in the report receive a copy of the information that relates to it.

The bill instead requires these processors, by July 31, 2014 and annually afterward, to report to the DEEP commissioner, on a form he prescribes, the amount of scrap metal generated in Connecticut and purchased or received by them for the prior fiscal year. The report must identify the:

1. regional solid waste facility from which the scrap metal was received or the Connecticut municipality in which the scrap metal was generated,
2. type of waste stream that generated the scrap metal, and
3. facility receiving the scrap metal or other recyclables from the processor.

§ 8 — PROPERTY TAX EXEMPTION

The bill allows municipalities to adopt ordinances exempting from the property tax recycling machinery or equipment installed on or after October 1, 2013. The exemption must only apply to the (1) increased value of the commercial or industrial property attributable to the machinery or equipment and (2) first 15 assessment years after installation.

BACKGROUND

Designated Recyclable Items

By law, the DEEP commissioner designates through regulations certain items that must be recycled. These items include:

1. boxboard;
2. cardboard;
3. glass and metal food containers;
4. HDPE and PET or PETE (certain plastics) containers;
5. leaves;
6. colored ledger, residential high-grade white, and office paper;
7. magazines and newspaper;
8. scrap metal;
9. storage batteries; and
10. waste oil (Conn. Agencies Regs. § 22a-241b-2).

Organic Materials and Composting Facilities

By law, “source-separated organic material” includes food scraps, food processing residue, and soiled or unrecyclable paper that are separated, at generation, from nonorganic materials (CGS § 22a-207(29)).

A “composting facility” is land, appurtenances, structures, or equipment where organic materials originating from another process or location and separated at generation from nonorganic material are recovered, using a process of accelerated biological decomposition of organic material under controlled aerobic or anaerobic conditions (CGS § 22a-207(28)).

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 18 Nay 10 (03/27/2013)